

FY 2003-04 Budget Detail for ALL OTHERS

**Capital Outlay
History, Arts, and Libraries
Judiciary
Transportation**

Summary: Target Budget Recommendation
CAPITAL OUTLAY
FY 2003-04 House Bill No. 4386

Analyst: Al Valenzio

	FY 2002-03 YTD (as of 03/06/03)	Target	House	Senate	Enacted	Difference: Target from 2002-03 YTD	
						Amount	%
IDG/IDT	\$4,000,000					(\$4,000,000)	(100.0)
Federal	189,892,000	202,652,000				12,760,000	6.7
Local	43,000,000	42,789,600				(210,400)	(0.5)
Private	0	0				0	0.0
Restricted	83,498,400	41,340,000				(42,158,400)	(50.5)
GF/GP	289,166,900	281,302,100				(7,864,800)	(2.7)
Gross	\$609,557,300	\$568,083,700				(\$41,473,600)	(6.8)

Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency fund transfers, or Executive Order actions that occurred after March 6, 2003.

Overview

The Michigan Capital Outlay process encompasses the *budgetary and administrative functions devoted to the financing and planning for the acquisition, construction/renovation, and maintenance of facilities used by a state agency, public university, or community college*. General operational practices and procedures are contained in the Management and Budget Act (1984 PA 431), the State Building Authority Act (1964 PA 183), the annual Capital Outlay Appropriations Act (2002 PA 518), and the formal policies of the Legislative Joint Capital Outlay Subcommittee. Act 431 contains numerous oversight and approval action steps that define the respective roles of the Executive and Legislative branches.

Most major state-owned facility renovations and new construction projects are financed by the State Building Authority (SBA). This is accomplished through the issuance of revenue bonds. Debt service on these bonds is provided annually in the Capital Outlay budget bill's SBA rent line items. Rent is often referred to as "true" rent because it is based on the facility's economic or market value. The SBA has a statutory bonded indebtedness ceiling, currently set at \$2.7 billion.

The full FY 2003-04 budget has not yet been enacted for Capital Outlay. Instead, a \$50.0 million appropriation was included under Senate Bill 540, 2003 PA 173. This will ensure that at least the October 1 SBA rent payment is paid while negotiations continue between the respective parties on the full-year budget.

Negotiations with the Governor and Legislative majority party leadership did, however, result in a GF/GP 'target' number and that is what is reflected in the table above.

CAPITAL OUTLAY

Major Budget Changes from FY 2002-03 YTD Appropriations:

STATE BUILDING AUTHORITY RENT

SBA Rent – State Agencies, Corrections, Universities, and Community Colleges

The state pays rent to the SBA so it can pay off bonds that are used to finance building construction projects for state agencies, universities, and community colleges. Provided in SB 540, 2003 PA 173, is a \$50 million preliminary appropriation to ensure that the October 1 SBA rent payment is met. Please see supplemental detail in the Director's Overview section of this publication.

	<u>FY 2002-03 YTD</u> <u>(as of 3/6/03)</u>	<u>Enacted Change</u> <u>from YTD</u>
Gross	\$291,311,700	(\$241,311,700)
Restricted	4,145,000	(3,822,500)
GF/GP	\$287,166,700	(\$237,489,200)

Summary: Enacted Appropriations
HISTORY, ARTS, AND LIBRARIES
FY 2003-04 Senate Bill 279
Public Act 160 of 2003

Analyst: Steve Stauff

	FY 2002-03 YTD (as of 3/6/03)	Executive	Senate	House	Enacted	Difference: Enacted from FY 2002-03 YTD	
						Amount	%
IDG/IDT	\$0	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	100.0
Federal	8,295,700	9,322,600	9,322,600	9,322,600	9,322,600	1,026,900	12.4
Local	0	0	0	0	0	0	0.0
Private	577,400	577,400	577,400	577,400	577,400	0	0.0
Restricted	1,900,900	2,308,800	2,308,800	2,308,800	2,308,800	407,900	21.5
GF/GP	58,451,600	46,440,000	44,786,300	44,784,800	44,784,800	(13,666,800)	(23.4)
Gross	\$69,225,600	\$58,786,300	\$57,132,600	\$57,131,100	\$57,131,100	(\$12,094,500)	(17.5)
FTEs	247.5	254.5	254.5	254.5	254.5	7.0	2.8

Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency transfers, or Executive Order actions that occurred after March 6, 2003.

Overview

The Department of History, Arts, and Libraries administers programs in four major areas: arts and cultural affairs, which includes administration of Michigan's Arts and Cultural Grants program; Mackinac Island State Park Commission, which oversees operational activities at the Mackinac Island State Park, the Michilimackinac State Park, and the Mill Creek State Park; historical program, which includes historical museum system, historical publications, archaeological, and lighthouse preservation activities; and library services, providing reference services to the public and Legislative, Executive, and Judicial branches of state government, as well as assisting public libraries statewide.

Major Budget Changes from FY 2002-03 YTD Appropriations:		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
1. Arts and Cultural Grants	Gross	\$22,400,500	(\$10,629,200)
Reduces Arts and Cultural Grants funding from the FY 2002-03 year-to-date (YTD) level by 47%.	Federal	700,000	0
	GF/GP	\$21,700,500	(\$10,629,200)
2. State Aid to Libraries	Gross	\$12,660,600	\$666,500
Increases grant funding to State Aid to Libraries from the FY 2002-03 YTD level. This represents a 5.3% increase from YTD.	GF/GP	\$12,660,600	\$666,500
3. Book Distribution Centers	Gross	\$297,300	\$10,200
Increases current-year GF/GP by \$10,200, with new boilerplate mandating funding levels for the two distribution agencies. Gross funding equals \$307,500.	GF/GP	\$297,300	\$10,200
4. Renaissance Zone Reimbursement	Gross	\$995,600	(\$995,600)
Transfers the Renaissance Zone Reimbursement payments program to the Treasury Department. These payments hold harmless libraries that lose money from their property tax levies due to the presence of a Renaissance Zone within their taxing authority.	GF/GP	\$995,600	(\$995,600)

HISTORY, ARTS, AND LIBRARIES

<u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u>		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
5. Grand Rapids Public Library	Gross	\$194,300	(\$69,300)
Includes a gross reduction to the library of \$69,300, leaving a FY 2003-04 funding amount of \$125,000. The FY 2003-04 amount is fully supported with federal Reed Act funds which are not available after September 30, 2004.	Federal	64,800	60,200
	GF/GP	\$129,500	(\$129,500)
6. Grant to the Detroit Public Library	Gross	\$2,780,000	(\$1,780,000)
Includes a gross reduction to the library of \$1.8 million, leaving a FY 2003-04 funding amount of \$1.0 million. The FY 2003-04 amount is fully supported with federal Reed Act funds which are not available after September 30, 2004.	Federal	935,200	64,800
	GF/GP	\$1,844,800	(\$1,844,800)
7. Local Historical Societies	Gross	\$0	\$100,000
Includes an additional \$100,000 for the Historical Administration and Services appropriation line. Funding is accompanied by the new boilerplate section 508 which provides guidance on a competitive grant program for all state and local historical societies.	GF/GP	\$0	\$100,000
8. Supplemental FY 2002-03: PA 39 of 2003 Additional Reed Act Funding	Gross	\$0	\$26,900
FY 2002-03 supplemental funding of federal Reed Act revenues to support activities within the Library of Michigan Operations appropriation line.	Federal	0	26,900

Major Boilerplate Changes from FY 2002-03:***Sec. 401(1). Criteria for Grant Applications – MODIFIED***

Includes "Historical Projects Program" as an additional category of arts and cultural grants funding.

Sec. 401(10). Limiting Anchor Organization Program Funding Level – MODIFIED

Changes the limit of how much the total anchor organization program funding can be as a percentage of the total arts and cultural grants funding. The percentage is increased from 65% to 70%.

Sec. 402. Supplemental FY 2002-03 - PA 39 of 2003 Reed Act Funds

States that funds in part 1 are to be awarded on a competitive basis to eligible libraries for computers and training to assist claimants in accessing unemployment agency websites.

Sec. 506. Sale of State Historical Museum Artifacts – NEW

Allows that proceeds from the sale of unsuitable Michigan Historic Museum artifacts may be used to purchase additional material for the collection. These revenues are immediately appropriated for expenditure. The Department shall notify the chairs and vice-chairs of the appropriations committees one week prior to any auctions or sales.

Sec. 507. Historical Society of Michigan Access to Michigan History Magazine Subscriber List – NEW

Makes available to the Historical Society of Michigan the Michigan History Magazine subscriber list at actual cost and unless prohibited by law.

Sec. 508. Local Historical Society – NEW

Includes language that provides guidance on the use of \$100,000 within the Historical Administration and Services appropriation line to be used for a competitive grant program for all state and local historical societies.

Sec. 604. Federal Aid to Libraries – NEW

Requires that funding in the new Federal Aid to Libraries appropriation line be awarded on a competitive basis to all eligible libraries for the purpose of providing computers to train library staff to assist claimants in accessing unemployment agency websites.

Sec. 607. Book Distribution Centers – NEW

Includes language authorizing Book Distribution Centers funding in part 1 to the Public Enrichment Foundation and to the Michigan Friends of Education, \$158,700 and \$148,800 respectively.

Summary: Enacted Appropriations
JUDICIARY
FY 2003-04 Senate Bill 281
Public Act 155 of 2003

Analyst: Kyle I. Jen

	FY 2002-03 YTD (as of 3/6/03)	Executive	Senate	House	Enacted	Difference: Enacted from FY 2002-03 YTD	
						Amount	%
IDG/IDT	\$2,833,500	\$4,633,500	\$4,633,500	\$4,633,500	\$4,633,500	\$1,800,000	63.5
Federal	3,901,000	3,806,500	3,806,500	4,106,500	4,106,500	205,500	5.3
Local	2,941,800	2,898,700	2,898,700	2,898,700	2,898,700	(43,100)	(1.5)
Private	842,500	842,500	842,500	842,500	842,500	0	0.0
Restricted	57,477,700	78,995,300	79,082,900	79,183,100	79,770,300	22,292,600	38.8
GF/GP	174,721,000	161,316,400	161,316,400	161,314,400	161,316,400	(13,404,600)	(7.7)
Gross	\$242,717,500	\$252,492,900	\$252,580,500	\$252,978,700	\$253,567,900	\$10,850,400	4.5
FTEs	582.5	582.5	582.5	582.5	582.5	0.0	0.0

Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency fund transfers, or Executive Order actions that occurred after March 6, 2003.

Overview

Article VI of the State Constitution of 1963 is the basis for Michigan's judicial branch of government. The Judiciary budget includes operational funding for the Michigan Supreme Court, Court of Appeals, and related judicial agencies. Additionally, the budget funds the salaries of justices of the Supreme Court and judges at the appeals, circuit, probate, and district levels according to constitutional and statutory requirements. Grant funding for trial court operations is provided to counties through Court Equity Fund reimbursements based on a statutory formula. Various other grant programs provide funding to trial courts and related organizations. In the enacted FY 2003-04 budget, justices' and judges' salaries constitute the largest portion of the Judiciary budget: 36% of the gross budget and 53% of the GF/GP budget.

Major Budget Changes from FY 2002-03 YTD Appropriations:		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
1. Court Equity Fund Reimbursements	Gross	\$70,656,100	(\$750,100)
Reflects increased restricted revenue for Court Equity Fund reimbursements from filing fee increases (\$3.0 million) and the new Justice System Fund (\$5.6 million) which will receive revenue from assessments on civil infractions and criminal offenses. A GF/GP reduction offsets this revenue increase, resulting in a net reduction of \$750,100.	Restricted	36,044,000	8,625,900
	GF/GP	\$34,612,100	(\$9,376,000)
2. Judicial Technology Improvement Fund	Gross	\$2,072,800	\$2,392,200
Includes new restricted revenue for the Judicial Technology Improvement Fund from filing fee increases. Elimination of the existing GF/GP funds appropriated for judicial technology improvement and court boundary realignment costs leaves a \$2.4 million net increase.	Restricted	0	4,465,000
	GF/GP	\$2,072,800	(\$2,072,800)

JUDICIARY

<u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u>		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
3. Drug Court Grant Program	Gross	\$1,280,800	\$3,354,200
Includes new restricted revenue for the Drug Court Grant Program from the new Justice System Fund, as well as an IDG of federal Byrne Grant funding from the Community Health budget to fund drug court initiatives (see new boilerplate section 306(5)). Federal authorization for possible drug court training and evaluation grant also included.	IDG	0	1,800,000
	Federal	0	300,000
	Restricted	0	1,267,500
	GF/GP	\$1,280,800	(\$13,300)
4. Community Dispute Resolution Program	Gross	\$2,505,600	(\$5,800)
Reflects increased restricted revenue for the Community Dispute Resolution Program from filing fee increases. This increase roughly offsets the elimination of the current GF/GP appropriation for the program.	Federal	275,000	0
	Restricted	1,665,600	559,200
	GF/GP	\$565,000	(\$565,000)
5. Operational Reductions	Gross	N/A	(\$1,328,600)
Contains \$1.3 million GF/GP in reductions across all operational line items in the budget.	GF/GP	N/A	(\$1,328,600)
6. Justices' and Judges' Compensation	Gross	\$90,679,600	\$1,585,100
Includes three types of positive adjustments: (1) restored funding for one-time savings in FY 2002-03 due to timing of pay periods (\$953,500), (2) new/annualized funding for additional/converted judgeships (\$500,100), and (3) social security and retirement cost increases (\$131,500).	Restricted	7,090,200	0
	GF/GP	\$83,589,400	\$1,585,100
7. Rent and Building Occupancy Charges	Gross	N/A	(\$1,068,000)
Includes reductions in private rent (\$295,100) and building occupancy charges (\$772,900) for facilities in which judicial agencies are housed.	GF/GP	N/A	(\$1,068,000)
8. Early Retirement Adjustments	Gross	N/A	(\$566,000)
Reflects two types of adjustments related to 2002 early retirement package: (1) removal of funds for one-time leave payouts and (2) annualization of savings for October 2002 retirees.	GF/GP	N/A	(\$566,000)
9. Juror Compensation Reimbursement	Gross	\$0	\$6,600,000
Includes new statutory restricted funding source for juror compensation reimbursement payments to trial courts.	Restricted	0	6,600,000
10. Court of Appeals Fee Revenue	Gross	\$1,571,000	\$175,000
Increases appropriation for Court of Appeals fee revenue to reflect filing and motion fee increases.	Restricted	1,571,000	175,000
11. Justice System Fund Administration	Gross	\$0	\$600,000
Includes funds the State Court Administrative Office will receive to administer new Justice System Fund (1.0% of fund collections).	Restricted	0	600,000

Major Boilerplate Changes from FY 2002-03:**Sec. 206. Contingency Funds – DELETED**

Appropriates federal, restricted, local, and private contingency funds that can be expended upon legislative transfer to a specific line item.

Sec. 307. Court of Appeals Backlog Reduction – NEW

States legislative intent that \$225,000 of additional revenue from the Court of Appeals filing and motion fee increases be used for the purpose of delay reduction.

Major Boilerplate Changes from FY 2002-03:

Sec. 310. (Current Year) Community Dispute Resolution Program – DELETED

Provides for distribution of GF/GP funding for the program (1) to achieve a base level of \$30,000 and (2) for the remainder based on performance measures (similar language proposed for incorporation into governing statute). Section also encourages distribution of informational brochures regarding program.

Sec. 310. (Enacted) Drug Court Evaluation – NEW

Requires an independent evaluation of drug court programs funded by the Judiciary budget, with the evaluation to include measures of the impact of drug court programs in changing recidivism and substance abuse and reducing prison admissions.

Sec. 311(5). Byrne Grant Funding – NEW

Provides for Judiciary to receive \$1.8 million in Byrne formula grant funding for expansion of drug treatment courts to assist in avoiding prison bed space growth for nonviolent offenders.

Sec. 313. Child Support Enforcement System (CSES) Penalties – DELETED

Provides that counties not be penalized for non-compliance with federal CSES requirements if the Family Independence Agency determines that certain conditions have been met.

Sec. 316(3). CSES Refund/Cyber Court – MODIFIED

Modifies language to require that not less than \$1.0 million, but not more than \$2.0 million, of the \$6.0 million to be appropriated into the JTIF if a CSES refund is received, be used for development of a cyber court (current-year language provides that up to \$1.0 million could be used for that purpose).

Sec. 318. Child Care Studies – DELETED

Directs Supreme Court to assist local trial courts with feasibility studies on the provision of child care for parents who must appear in court.

Sec. 320. Juvenile Justice System – DELETED

Calls for judicial branch to work with other state agencies to improve delivery of mental health/substance abuse treatment and education/training services for individuals leaving the juvenile justice system.

Sec. 322. Court Boundary Realignment – DELETED

Provides for allocation of funds appropriated for court boundary realignment (one-time appropriation).

**Summary: Enacted Appropriations
TRANSPORTATION
FY 2003-04 Senate Bill 265
Public Act 162 of 2003**

Analyst: William E. Hamilton

	FY 2002-03 YTD (as of 3/6/03)	Executive	Senate	House	Enacted	Difference: Enacted from FY 2002-03 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	963,136,100	965,255,100	965,255,100	965,255,100	941,755,100	(21,381,000)	(2.2)
Local	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	2,124,655,300	2,228,934,100	2,184,941,300	2,165,322,000	2,163,477,000	38,821,700	1.8
GF/GP	0	0	0	0	0	0	0.0
Gross	\$3,093,591,400	\$3,199,989,200	\$3,155,996,400	\$3,136,377,100	\$3,111,032,100	\$17,440,700	0.6
FTEs	3,074.3	3,075.3	3,004.0	3,056.3	3,056.3	(18.0)	(0.6)

Note: FY 2002-03 YTD figures do not include the results of any supplementals, contingency transfers, or Executive Order actions that occurred after March 6, 2003.

Overview

The \$3.1 billion state transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation. Funding is provided from state-restricted, federal, and local revenue. There is no state GF/GP revenue in this budget.

Major Budget Changes from FY 2002-03 YTD Appropriations:		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
1. Debt Service	Gross	\$137,632,100	(\$2,356,400)
Reduces the appropriation for debt service to \$135.3 million which reflects anticipated debt service schedules. The current-year appropriation was subsequently reduced by \$5.0 million in supplemental appropriation bill SB 540 and re-appropriated in Capital Outlay to support federal aid airport improvement program projects.	Federal	21,000,000	3,000,000
	Restricted	116,632,100	(5,356,400)
2. Michigan Transportation Fund (MTF) Grants to Other State Departments (IDGs)	Gross	\$105,747,800	(\$77,981,900)
Appropriates \$27.8 million in MTF grants to other state departments, including \$20.0 million to the Department of State, and \$6.7 million to the Department of Treasury, to reimburse those departments for the costs of collecting MTF revenue. Appropriation reflects the provisions of enacted Senate Bills 554 and 539. (See the House Fiscal Agency analysis of these bills at www.michiganlegislature.org).	Restricted	105,747,800	(77,981,900)

Major Budget Changes from FY 2002-03 YTD Appropriations:		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
3. State Trunkline Fund Grants (IDGs) to Other State Departments Authorizes \$13.4 million for STF grants to other state departments as proposed in the Executive Recommendation.	Gross	\$14,386,700	(\$1,004,900)
	Restricted	14,386,700	(1,004,900)
4. State Transportation Commission Per Diem Adopts the Executive recommendation to eliminate this line, currently used to reimburse members of the State Transportation Commission for attending meetings.	Gross	\$10,000	(\$10,000)
	Restricted	10,000	(10,000)
5. Highway Maintenance Appropriates \$234.0 million for state trunkline maintenance—an increase of less than 1%. Increase largely reflects costs of additional lane miles added to the state trunkline system through new construction and jurisdictional transfers, and the increased cost of road maintenance materials. Enacted bill does not follow the Executive's recommendation to roll up the \$135.3 million Contract operations line item into a single State trunkline operations line.	Gross	\$232,911,100	\$1,117,500
	Restricted	232,911,100	1,117,500
6. State Trunkline Road and Bridge Construction – PARTIAL VETO Increases funding to support construction and reconstruction of state trunkline roads and bridges. The appropriation of \$961.3 million (before vetoes) is \$42.3 million less than estimated available revenue. It is anticipated that subsequent appropriation of this additional revenue will be used to support restoration of 17 capacity improvement projects deferred as part of the Department's Preserve first initiative. The enacted appropriation of \$953.7 million reflects \$7.8 million in vetoes, including \$1.8 million for legislative project earmarks in Sections 613 through 621. Specific projects and estimated FY 2003-04 costs are as follows: Sec. 613 –Bridge in Hume Township bridge (\$200,000) Sec. 614 - Ogemaw County I-75 interchange (\$50,000) Sec. 615 - Chandler Road/I-69 interchange (\$350,000) Sec.616 - Cheboygan bridge replacement (\$400,000) Sec. 617 - I-75 interchange Chippewa County (\$100,000) Sec. 618 - Vance Rd/M-37 traffic signal (\$75,000) Sec. 619 - I-275 interchange Canton Twp (\$500,000) Sec.620 - Newaygo traffic signal (\$75,000) Sec. 621 - Bay Harbor traffic signal (\$75,000) The veto reduced spending authority for the State trunkline road and bridge construction line by \$1.775 million (STF), and Planning administration by \$50,000 (STF).	Gross	\$912,670,300	\$40,994,800
	Federal	656,187,300	(24,587,300)
	Local	5,000,000	0
	Restricted	251,483,000	65,582,100

TRANSPORTATION

Major Budget Changes from FY 2002-03 YTD Appropriations:		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
7. Federal Aid to Local Road Agencies – PARTIAL VETO			
Appropriates \$208.9 million in federal funds for local road agency construction projects. The enacted appropriation reflects the Governor's veto of a \$17.6 million earmark for local bridge programs. The Governor vetoed Section 405 which earmarked 20% of federal bridge funds to the Critical Bridge program for local road agency bridge projects. This equates to \$23.5 million—\$5.9 million more than Executive recommendations. The veto reduced spending authority for the State trunkline road and bridge construction line item by \$5.9 million, and the Local federal aid road and bridge construction line item by \$17.6 million. It is anticipated that the Executive will propose to restore these funds in a supplemental appropriation, without the earmark for local bridge programs. The current-year appropriation was subsequently increased by \$18.0 million in supplemental appropriation bill HB 4032. This represents a restoration of federal bridge funds vetoed in September 2002.	Gross	\$215,132,000	\$(6,232,000)
	Federal	215,132,000	(6,232,000)
8. MTF Distribution to Local Road Agencies			
Appropriates \$993.0 million—\$637.5 million to county road commissions and \$355.4 million to cities and villages based on February 2003 MTF revenue estimates. Public Act 51 of 1951 (Act 51) provides a formula distribution of funds from the MTF to local road agencies (county road commissions, and incorporated cities and villages). Actual MTF distributions will be based on actual MTF revenue.	Gross	\$931,367,800	\$61,603,400
	Restricted	931,367,800	61,603,400
9. Transportation Economic Development Fund (TEDF)			
Appropriates \$40.0 million for TEDF programs—a decrease of \$2.9 million from the current year. The decrease reflects a \$2.9 million increase in TEDF debt service related to the Build Michigan III program. The Executive's proposal to redirect \$13.0 million in driver's license fee revenue currently earmarked for the TEDF was not adopted.	Gross	\$42,848,300	(\$2,875,900)
	Restricted	42,848,300	(2,875,900)
10. Aeronautics Programs			
Reflects increased estimates of State Aeronautics Fund revenue.	Gross	\$5,809,600	\$709,300
	Restricted	5,809,600	709,300
11. UPTRAN Administration			
Appropriates \$6.6 million for the Bureau of Urban and Public Transportation, with 85.0 authorized FTE positions.	FTEs	104.0	(19.0)
	Gross	\$8,725,400	(\$2,075,400)
	Restricted	8,725,400	(2,075,400)
12. Bus Transit - Local Bus Operating Assistance			
Appropriates \$161.7 million (CTF) for this line item to provide state operating assistance to 75 public transit agencies in Michigan. The enacted appropriation reflects the veto of Sec. 732 which prohibited transit agencies that operate ferry services from charging tolls to school buses and provided \$20,000 reimbursement for lost revenue. Includes boilerplate limiting funding for the RTCC (DDOT and SMART) to current year (FY 2002-03) funding levels.	Gross	\$160,000,000	\$1,680,000
	Restricted	160,000,000	1,680,000
13. Bus Transit - Non-Urban Operating/Capital			
Provides federal funds (from Federal Transit Act, Section 5311) to transit systems in "non-urbanized" areas (populations less than 50,000). Anticipates federal revenue increase.	Gross	\$10,300,000	\$600,000
	Federal	10,100,000	600,000
	Restricted	0	0
	Local	200,000	0

<u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u>		FY 2002-03 YTD (as of 3/6/03)	Enacted Change from YTD
14. Bus Capital	Gross	\$49,544,900	\$4,200,000
Appropriates \$53.0 million based on anticipated increased federal revenue support.	Federal	34,650,000	4,200,000
	Restricted	13,699,500	0
	Local	500,000	0
15. Work first initiative	Gross	\$5,850,000	\$150,000
Appropriates \$6.0 million to reflect anticipated federal revenue sources.	Federal	0	150,000
	Restricted	5,850,000	0
16. Other Public Transportation Programs	Gross	N/A	\$0
Maintains funding at current-year levels for the following programs that the Senate-passed bill had eliminated or reduced. The Senate eliminated Ridesharing (\$330,700), Van pooling (\$195,000), Planning grants (\$80,000), and Regional service coordination (\$500,000), and had reduced CTF funding other public transportation line items - Specialized services (\$339,500), Service development and new technology (\$200,000), Freight preservation and development (\$389,400), and Marine passenger service (\$400,000).	Federal	N/A	0
	Restricted	N/A	0

Major Boilerplate Changes from FY 2002-03:**Sec. 206. Contingency Funds – DELETED**

Excludes any contingency funds.

Sec. 324. Construction Zone Traffic Law Enforcement – MODIFIED

Appropriates \$500,000 to law enforcement agencies for construction traffic law enforcement and the “Give ‘em a brake campaign.”

Sec. 358. Director’s Salary – NOT INCLUDED

Excludes Senate language that would have reduced the Department director’s salary based on the number of days a legislatively-mandated report is late.

Sec. 359. Personal Service Contracts – NOT INCLUDED

Excludes Senate language that would have prohibited the Bureau of Multi-modal transportation services and the Bureau of Planning from using personal service contracts.

Sec. 360. Public Transit Planning – NOT INCLUDED

Excludes Senate language that would have prohibited the Bureau of Planning from engaging in planning activities associated with local public transit agencies.

Sec. 361. Bureau of Multi-modal Transportation Services – NEW

Requires the Bureau of Multi-modal transportation services to prepare a management plan, and to conduct functions only under formal program policies adopted by the State Transportation Commission.

Sec. 362. Emergency Vehicles Signage – NEW

Requires the Department to work with law enforcement agencies to inform public regarding duties under Section 653a of the Michigan Vehicle Code to use care and caution in passing emergency vehicles.

Sec. 363. Log Truck Safety Study – NEW

Earmarks funds to complete Michigan Technological University study.

Sec. 364. Full-service Service Station Project – NEW

Provides \$25,000 to assist veteran and disabled groups in identifying full-service service stations that assist persons with disabilities.

Sec. 405. Federal Bridge Funds to Local Critical Bridge Fund – VETOED

Earmarks 20% of federal bridge funds for local road and road agency bridge projects.

TRANSPORTATION

Major Boilerplate Changes from FY 2002-03:

Sec. 611. Pavement Marking – NEW

Directs the Department to use high quality pavement marking materials on state trunkline projects. Provides for pilot project and reporting requirement.

Sec. 612. Incentive/Disincentive Contracts – NEW

Requires the Department to establish guidelines for use of incentive/disincentive contracts and establishes a reporting requirement.

Sec. 711. Rail Passenger (AMTRAK) – MODIFIED

Raises the subsidy limit from \$5.7 million to \$7.1 million and requires marketing and kiosk staffing. Adds new subsection (7) that does not allow funding to AMTRAK if AMTRAK discontinued service during the current fiscal year (FY 2002-03).

Sec. 726. CTF Balance Transfer to General Fund – NOT INCLUDED

Excludes Senate language that would have directed that \$16.0 million from the unreserved and unencumbered CTF fund balance at September 30, 2004, be transferred to the state General Fund.

Sec. 727. Local Bus Operating – Limitation on RTCC Funding – NEW

Limits the local bus operating assistance to the RTCC (DDOT and SMART) to current-year funding.

Sec. 728. Alternative Rail Passenger Service – NEW

Permits the Department to provide funds to explore alternative rail passenger service and new transportation technology.

Sec. 729. DARTA Start-Up Costs – NEW

Limits state CTF matching funds to \$200,000 and requires equal matching by local sources. Prohibits expenditure of CTF funds for initial comprehensive regional public transportation plan until 45 days after the plan has been presented to the Legislature, state budget office, and the Department.

Sec. 730. Intercity Bus Security

Permits the expenditure of funds for increased security of intercity bus carriers.

Sec. 731. DIFT – RETAINED

Retains restrictions on funding Detroit intermodal freight terminal outside of existing rail freight property prior to environmental impact statement.

Sec. 732. School Buses and Ferry Service – VETOED

Prohibits transit agencies that operate ferry services from charging tolls to school buses. Provides reimbursement for lost revenue.

Sec. 733. State Maritime Policy – NEW

Requires the Department to conduct study of state maritime development and investments. Provides reporting requirement.